

CHECKLIST FOR REVIEW OF CALPERS INVESTMENT POLICIES

Checklist:

The checklist will be used by staff as a tool for conducting the review of Investment Office Policy. If there is an omission or issue that surfaces in the course of the review, staff is to identify the issues and suggest what they deem to be the appropriate remedial action.

The following should be considered in the review of CalPERS' investment policies:

Content:

1. Are there "operational guidelines" better suited for an operations manual?
An operational guideline provides staff with direction on "how" to do something and does not address content or program. "Operational Guidelines" may likely be ministerial or procedural in nature.
2. Is the role of all external parties addressed in the policy? The role of Board or Staff consultants must be spelled out.
3. Are there redundancies that can be eliminated and/or opportunities to consolidate policies within an asset class?
4. Are there inconsistencies within asset classes to be remedied?
5. Have all delegations of authority been identified and noted for deletion and have they been included in the Consolidated Delegation?
6. Are any policies or policy provisions obsolete in terms of new policy and/or changes in law?
7. Do existing practices and procedures conflict with or differ from policy?
8. Are policy provisions in compliance with existing laws and regulations and do they compare favorably with investment and/or financial industry best practices.
9. Are there subjects that are not currently addressed in policy but should be?
10. Are any policies in conflict?
11. Are there generic/overarching non-asset class specific investment policies?
12. Are there inconsistencies across asset classes to be remedied?
13. Have all policy glossary terms been reviewed? Updated? Have new terms been added where appropriate?

Format:

1. Do the policies follow the required formatting template?
2. Are all attachments noted in and attached to the policy? Have references to attachments that have been removed been deleted?